

REPAIR WG4 report:

How the socio-economic re-use of the sites can maximise local jobs for local people and therefore sustainable communities and greater social cohesion.

1. Aims of the Working Group

REPAIR project has an overarching goal of exploring how the successful regeneration of former military sites can also act as a catalyst for broader sustainable urban development.

The REPAIR project is built around 4 pillars:

I. How to achieve the sustainable re-use of the built heritage and heritage sites, through maximising energy efficiency, the better management of waste production, energy consumption and greater use of renewable energies;

II. How to develop alternative site uses and techniques, which best secure the long term preservation of the military heritage;

III. How to maximise access to military sites by sustainable modes of transport, which minimise car use and decouple transport growth from local GDP growth;

IV. How the socio-economic re-use of the sites can maximise local jobs for local people and therefore sustainable communities and greater social cohesion.

The 4th pillar, on Sustainable communities and greater social cohesion, was the focus of WG4 meeting in Karlskrona, 4-5 February 2010.



Its main aim was to explore *how to achieve sustainable social cohesion by ensuring access to gainful employment (including self-employment) for all*. This has been done by exchanging partners' experience and discussing emerging issues in result of this exchange. The results from this activity inform the Policy Framework. Each partner will be producing a mini Local Action Plan (LAP) after the Working Group in which the defined policy recommendations are reflected.

8 REPAIR Partners were represented:

City of Karlskrona (SE, host), City of Utrecht (NL); Medway (UK, Lead partner); Avrig (RO); Kaunas (LT); Opava (CZ); Paola (MT) and Rostock (DE).

We have been greeted by Mayor of municipality of Karlskrona.

The Programme of two days included several presentations of Swedish experience, the territorial and environmental planning frameworks in the Karlskrona municipality, and then some cases, such as Telecom City cluster, HyperIsland educational institution.



These presentations were concluded by panel discussion with the speakers including comments from the participants.

The participating REPAIR Partners also presented their practice and focused on shared interest in problems and solutions, and discerned best practice examples and discussed themes that will eventually lead to Policy Recommendations.

Programme activities and visits took the participants around Karlskrona, visiting The a Telecom City office at the campus of Blekinge Institute of Technology, Kulenovic collection, Hyper Island and the Marinmuseum.



2. Synopsis of relevant EU Policies

2.1. EU 2020

EU 2020¹ is being designed as the successor to the current Lisbon Strategy, which has been the EU's reform strategy for the last decade. EU 2020 builds on its achievements as a partnership for growth and job creation, and renewing it to meet new challenges.

In developing a new vision and direction for EU policy, we need to recognise that conserving energy, natural resources and raw materials, using them more efficiently and increasing productivity will be the key drivers of the future competitiveness of our industry and our economies.

The Commission considers that the key drivers of EU 2020 should be thematic, focused on the following priorities:

- (1) ***Creating value by basing growth on knowledge.*** Opportunity and social cohesion will be enhanced in a world where innovation makes the difference in both products and processes, harnessing the potential of education, research and of the digital economy;
- (2) ***Empowering people in inclusive societies.*** The acquisition of new skills, fostering creativity and innovation, the development of entrepreneurship and a smooth transition between jobs will be crucial in a world which will offer more jobs in exchange for greater adaptability;
- (3) ***Creating a competitive, connected and greener economy.*** The EU should compete more effectively and increase its productivity by a lower and more efficient

consumption of non-renewable energy and resources in a world of high energy and resources prices, and greater competition for energy and resources. This will stimulate growth and help meet our environmental goals. It will benefit all sectors of the economy, from traditional manufacturing to new hi-tech start ups. Upgrading and inter-connecting infrastructure, reducing administrative burden and accelerating the market uptake of innovations will equally contribute to this goal.

These priorities will guide EU policy makingⁱⁱ inside the EU and externally.

2.2. Other policies

The EU policy about creating jobs for local people is to promote the development of integrated local economic development strategies by local authorities. For the sustainability angle add corporate social responsibility, green jobs & - most recently - promotion of a low carbon economy. Also there is EU mobility of workers strategy which rather conflicts with the 'jobs for locals' idea.

In other employment matters it is essential to insert the national level between EU and local.

<http://ec.europa.eu/social/main.jsp?catId=101&langId=en>

EEA report on Quality of Life in Cities - Table 1.2 pp 24-25 is useful signposting to which bits of EU policy have implications for urban areas. You will see that this mentions the EU Social Agenda 2005-2010 also.

There is a new Social Agenda:

<http://ec.europa.eu/social/main.jsp?langId=en&catId=547>

There are thematic policy areas within this, often with some link to local authorities.

http://ec.europa.eu/sustainable/welcome/index_en.htm

Local jobs not a major theme in EU SDS, since it is the focus of EU 2020. However, rise of green jobs & eco-innovation up the agenda get lots of coverage in the documents on the ED SDS review.

3. Comparative experience

3.1. Other projects' experience

Examples of other URBACT putting employment issues at the centre of concern:

Past projects:

The **REGENERANDO** project gave the opportunity to highlight the role of European cities in promoting employment processes and local economic growth dynamics. REGENERANDO has been pointing out abilities and employment opportunities deriving from the cities work, thanks to a comparison among the initiatives already implemented (or still in progress) by the partner cities, intended for the creation of new job opportunities, for labour inclusion, for the improvement of human capital, for the fight against irregular work and for the analysis of the occupational impact of social policies interventions, of the impact of policies for SMEs. The network gave the opportunity to draw important conclusions on the actions against irregular work and submerged economy. Generally, the partners have been given the opportunity to ascertain how cities can carry out remarkable actions by the point of view of employment, thanks to their urban policies – sectorial or crosscutting - despite the fact that too often they are not the main decision makers in employment policies or policies having impact on employment at urban level. Such policies indeed are often a consequence of economy and market globalization and of decisions made on different levels, regional sometimes, national or European. Analysis on local experiences results allowed drawing guidelines intended to orientate and improve cities' initiatives impact on employment. The main aim is to express this way the propulsion each Administration can give to the programmes it is expected to implement, which are often out of its commitments. In such a context a remarkable project output emerges, which is likely to interest also other European cities: the *“European Cities’ Charter for Employment”* which was signed by the partner cities’ Mayors during the International Conference in Reggio Calabria and which is also to be submitted to all the Mayors interested in it. The Charter, based on the conclusions drawn by the case studies, is a declaration aimed at demonstrating the role of the cities within the Strategy for Employment, on European (Lisbon), national, regional and local level, in order to assert such a role, to let the cities participate in the decisions made by the main actors committed to employment, on all the government levels.

http://www.regenerando-rc.it/index_en.htm

Current projects:

ACTIVEAGE is a thematic network focused on the demographic ageing that is a characteristic of all EU member states. This project seeks to develop an exchange of experience between 9 cities facing an ageing population - in order to develop greater professional capacity and thus identify and develop good practices - and help them to put in place an integrated approach to dealing with these issues.

In the EU25 the proportion of elderly people (aged 65 and more) will increase from 16.4% in 2004 to 29.9% in 2050 or from 75.3 million in 2004 to 134.5 million in 2050. The highest proportions of elderly people in 2050 are expected in Spain (35.6%), Italy (35.3%), and Greece (32.5%). As far as the elderly dependency ratio is concerned (population aged 65 and more as a percentage of population aged between 15 and 64), this means that, whereas in 2004 there was one inactive person (young or elderly) for

every two persons of working age, in 2050 there would be three inactive persons for every four of working age.

Even if the impact of demographic ageing differs from city to city and from region to region, it will influence nearly every sphere of life: labour markets, housing, social security systems, infrastructures, urban/spatial planning, education, budgets and finances.

The partners in this network have highlighted the following common sub-themes that will form the basis of the transnational exchange:

- Ageing and economy (enterprise and the “silver” economy).
- Impact on care systems/arrangements.
- Ageing and insecurity.

The main issue of the project is to produce 9 action plans in order to implement concrete actions for an integrated approach to labour market and social policies for older people.

<http://urbact.eu/en/projects/active-inclusion/active-age/our-project/>

New projects:

WEED - Women, Enterprise and Employment in Local Development

Gender equality is one of the key horizontal themes of the EU Strategy for Growth and Jobs. The Lisbon Strategy defines targets in terms of participation rates for women in the labour market and also, entrepreneurship development. The achievement of such targets remains compromised by the various and numerous obstacles women encounter in the job market and in the business creation field.

In addition, it is clear that the role that women play in terms of local regeneration is crucial, however, urban regeneration has always been a predominantly male affair. This is not surprising as it has been about things as derelict land, planning, property development, employment, and labour market all traditionally male domains. This situation is evolving since women are becoming important actors in social and economic regeneration.

<http://urbact.eu/en/projects/human-capital-entrepreneurship/weed/homepage/>

OP-ACT: Options of actions - strategic positioning of small and medium sized cities

Demographic change, advanced de-industrialization and the current financial crisis together with the linked danger of job losses pose specific challenges for small and medium size cities.

Whenever the economy is in danger and the population figures are predicted negatively, shrinking is a threat. The increasing need of action is accompanied by decreasing financial means. The subject that the network therefore addresses are the most urgent questions arising with this phenomenon.

3.1.1. *Challenges*

Most cities have gone through difficult economic restructuring processes in recent years. The current economic crisis has intensified these structural problems. Therefore many cities are struggling with de-industrialization accompanied with job losses and declining population figures. Thus these conditions cause less tax incomes and financial shortage.

In respect of declining population figures and the aging population cities have to become attractive cities for young people and families. This can only be achieved through good social and living conditions also focusing especially on inhabitants with migrant backgrounds. Mutual understanding within social groups is a big challenge to overcome.

Inhabitants should be proud of their city therefore a good city image is relevant for the attractiveness for new businesses and inhabitants.

3.1.2. *Key point of focus*

We see the main focus in the implementation of a sustainable and efficient financial and economic structure within the cities in order to overcome problems related to the economic crisis.

To counteract the problem of declining population figures we focus on providing attractive social and living conditions to attract new inhabitants and to satisfy existing inhabitants expectations.

Another important aspect is the build up of a sustainable city image which we want to achieve through cooperations within the city between culture and tourism or education facilities and local enterprises.

<http://urbact.eu/en/projects/active-inclusion/op-act/our-project/>

3.2. Best practices of REPAIR Partners, selected in Karlskrona

3.2.1. *Telecom City*



Telecom City is a cluster of telecom industry, started by an initiative of Karlskrona Municipality in 1993, with an ambitious vision for Karlskrona to become a World leader in telecoms. The cluster builds on a Triple Helix concept (intertwining research, business, and government), in collaboration with Blekinge Institute of Technology, founded in 1989.

Telecom city initiative has been instrumental in changing the proportion of employment sectors in the formerly almost 100% naval and later heavily manufacturing-dependent industries to a balanced naval-manufacturing-ITC structure. It has facilitated development of spirit of entrepreneurship in the sector, encouraging foundation of many SMEs in the ITC sector, and defining a market niche in applications for mobile telecommunications, Telecom city has also become equally cofounded by industrial members, whilst it started from almost 100% public funding.

As a result, 2/3 of ITC graduates from Blekinge Institute of Technology stay in Karlskrona after graduating, and the city formerly 50% below national average of population with university education now is well above that average.

Richard Liden, the CEO of Telecom City, defines the reasons for success, emphasizing that right focus and right attitude produced right people, and that long-term support from the city and the business were critical in developing entrepreneurship.

It has been agreed by REPAIR partners to analyse the experience of the Telecom City in a case study for URBACT Programme 2010.

3.2.2. *Chatham Maritime and Chatham Historic Dockyard*



Medway case is selected for consistent focus of the public authority on employment, bringing about success in creating new jobs in former military sites. After closure of the dockyards, Medway aims creation of sustainable and cohesive community, following “5 steps to Utopia”:

- Regeneration of military sites
- Developing ability of creating jobs there
- ...
- ...
- ... (missing from my notes)

The current success has been achieved by dividing the regeneration area into distinct sites: Chatham Maritime, Chatham Historic Dockyard, and Medway Ports, respectively coordinated by specific institutions: South England Development Agency, Chatham Historic Dockyard Trust, and a common regeneration framework for Medway Waterfront: Medway Renaissance.

Along with physical regeneration, Medway Social regeneration aims at tangible improvements in quality of life, removal of barriers to employment, and empowered role

for residence in the social regeneration programme. Its Strategic goals are cohesive and inclusive community, improved access to employment for all, and making physical improvements accessible to all. Since 2005, 11 MGBP were invested into social regeneration. The Challenges remaining are barriers to local people to get newly created jobs (e.g. construction jobs do not go to local people), insufficient employment space, very low job density, lack of progress with higher vocational skills, pressure on transport infrastructure, and insufficient profile.

Implementing the strategy, Medway facilitated creating 7000 new jobs in former military sites and attracted 120 MGPB government funding to brownfield regeneration. For 2026, it targets achieving building 16000 new homes and creating 26000 new jobs.

The Partners agreed to look closer at the Medway case, with a goal of learning from its achievements.

3.2.3. Opava Public Services consolidation

Consolidation of all public services in Opava to a new Public Service Centre in former military site followed a clear-cut concept: To bring all services to one place, making it more convenient for the citizens to access services, revitalise the former military site, and free up valuable space in the City Centre for the market economy to develop new business and new jobs.

The initiative has succeeded, as the buildings previously occupied by scattered public services were bought by developers, new companies moved in, new shopping centre is being planned, and the University took one building and placed new classrooms there.

The City intends to keep the initiative going, maintaining the partnership between private sector creating the jobs and public sector motivating tourists to visit, attracting workers with required qualification motivating them to stay in the City Centre.

4. Conclusions of WG debates

“Local jobs for local people” are only a part of the sustainable communities and greater social cohesion paradigm, and it may have a different meaning for REPAIR Partners, depending on their situation. However, despite the different degrees of severity of the issue, many common denominators exist when facing the key drivers of the emerging European policy. This has been outlined in the discussion guidelines to the meeting, presented below.

4.1. REPAIR and EU 2020

In our working group meeting on “How the socio-economic re-use of the sites can maximise local jobs for local people and therefore sustainable communities and greater social cohesion”. Yet the current priorities do not mention address this focus directly.

How can we bridge our Pillar IV focus to EU 2020 priorities?

What do the keywords of EU 2020 priorities: *knowledge, innovation, creativity, entrepreneurship, empowering, inclusive societies, competitiveness, connectivity and environment* - **mean in the local context of creating employment?**

How can we – at the local level – **make sure that local people** who are currently excluded from labour market because of mismatch of their skills **become empowered** to find gainful employment **through innovation, creativity and entrepreneurship, when their low income skills have been developed in industrial economy context?**

Is there a need to modify and enhance EU 2020 priorities to enable the local level achieving this goal? If yes – how?

4.2. Key points of the discussion in Karlskrona

These key points were discussed in the context of what has been learned from partner presentations. The discussion centred around two points:

- **how triple helix helps create employment:**

based on the experience of Karlskrona, Medway and Opava, which are at the different stages of involving the educational institutions and academia in social regeneration and economic development, several questions emerged:

- what academia generates workable ideas?
- how to benefit from long term commitment of local authority?
- what kind of jobs are created by triple helix collaboration?
- how can high value jobs help generate low value jobs?

- **how to facilitate entrepreneurship on a small scale**

from Fort Vechten and Telecom City examples, we could see that small scale entrepreneurship can deliver good results, so:

how can planning and regeneration process encourage entrepreneurship?
what are benefits of industry clustering on the small scale?
what enabling environment is crucial: simple taxation, accounting rules?
work from home or local shared hub: does it help?
should developing new skills by labour market measures include self-employment skills?

As a second thought, from the good practice examples, is that different conceptual approaches can work. Karlskrona focused on a single-sector niche - an “injection” approach; Opava created “enabling environment” by vacating buildings for business in the City Centre; while Fort Vechten chose a limited “Christmas tree” approach, selecting a number of activities that were either supported by the public or feasible on market conditions.

5. Emerging recommendations

On the basis of the discussion, two points emerged for recommendations. The first point clarifies the interest and desirable roles of the stakeholders; the second focuses on the role of triple helix in creating employment.

5.1. Sustainable and cohesive communities with access to jobs for all

EU 2020 emphasises a key driver of *Empowering people in inclusive societies*. It is important to understand that entrepreneurs seek results, people seek gainful participation in society, local authorities seek sustainable and cohesive communities. To create **productive interdependence** of these three types of interests, **long term commitment from all levels of public authorities** is crucial. National authorities must deliver enabling environment: laws and programmes, that encourage small-scale entrepreneurship; and local authorities need to ensure actual collaboration of all players for synergy of interests, **supporting entrepreneurs in training for right skills**, including labour market measures; **facilitating small-scale entrepreneurship**, such as personal and family business, e.g. through planning and regeneration processes, establishing local office hubs and other shared facilities.

5.2. The role of Triple helix in creating sustainable employment

Creating value by basing growth on knowledge, another EU 2020 key driver, confronted to experience of REPAIR partners, brings the role of collaboration of the authorities, the industry players, and academia into the focus. Local authorities have been successful in **taking leadership** and **initiating clusters** that bring together academia and major industry players, thus creating conducive conditions for high-value employment and SME start-ups. This is a process that must build on the strengths of the existing context, but also requires **clear strategy** and **long term commitment** of the authorities, **encouraging innovation and creativity** in *ensuring meaningful participation* of education and research institutions, and allowing businesses to deliver results. Experience also shows that the human factor should not be underestimated, as along with **enabling environment** and **long term commitment to right focus** *attracting right people* to lead the process has proven crucial.

ⁱ COM(2009)647 final COMMISSION WORKING DOCUMENT CONSULTATION ON THE FUTURE "EU 2020" STRATEGY, 24.11.2009

ⁱⁱ The relationship among various EU strategies has been recently explained by the European Commission: "Various stakeholders have found it difficult to understand why there are several cross-cutting priority strategies at EU level, such as the Lisbon Strategy for growth and jobs and the EU SDS. The Lisbon Strategy is a dynamic strategy in which sustainability has been taken on board (climate change, energy, financial and social sustainability). The EU SDS is a long-term strategy which provides a good framework for guiding and reporting on long-term broad developments and promoting forward-looking reflection on sustainability, but it also requires short-term policy action. However, merging cross-cutting strategies does not seem feasible given the different roles they fulfil."

These two strategies recognise that economic, social and environmental objectives can reinforce each other and they should therefore advance together. Both strategies aim at supporting the necessary structural changes, which enable the Member States' economies to cope with the challenges of globalisation by creating a level playing field in which dynamism, innovation and creative entrepreneurship can flourish whilst ensuring social equity and a healthy environment.

In this context the EU SDS recognises that investments in human, social and environmental capital as well as technological innovation are the prerequisites for long-term competitiveness and economic prosperity, social cohesion, quality employment and better environmental protection.